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For Immediate Release
May 9, 2006

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Live healthy, pay less

LANSING – Michigan residents who live healthier will have the opportunity to pay less for health insurance under legislation passed by the Senate today, said Sen. Tom George.

Insurance companies will be allowed to create health incentive programs which reward healthy behavior with lower insurance rates.

“Michigan is at the bottom of the pile when it comes to healthy living,” said George, the only physician in the Michigan Senate. “Our residents smoke more and are less active and as a result have higher medical bills and insurance costs than residents of other states. We need to create pocketbook incentives for everyone to live healthier, just as we have incentives to drive safer.”

Senate Bills 848 and 849 will allow insurers, HMOs and non-profit health care corporations to offer wellness coverage and provide premium rebates for participation. Currently, health insurance companies, unlike life, home or auto insurance carriers, are forbidden by state law from offering incentives for good behavior.

Rising health care costs have taken their toll on every sector in Michigan, including businesses, schools and state government. This has forced employers to drop health coverage, require employees to pay more or lay off workers.

A 2004 Altarum study found that Michigan, when compared with selected benchmark states, ranked second highest in obesity, sixth highest in smoking, highest in coronary heart disease and second highest in diabetes.

“Given our dire situation, Michigan should lead the way with such insurance innovations,” George said. “These incentives will encourage healthy behaviors and get Michigan back on track economically and physically.”

The bills now go to the House for consideration.

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Comments from Sen. George on the health insurance incentives are available for download on the Senate Majority Audiowire at www.senate.michigan.gov/gop.